



January 24, 2017

TSXV: PGX

NEWS RELEASE

**Prosper Gold Corp. Drilling Update
Ashley Gold Project – Northern Ontario**

Quesnel, British Columbia – January 24, 2017 – Prosper Gold Corp. (“Prosper Gold” or the “Company”) (TSXV: PGX) has completed Phase 1 of the drill program at the Ashley Gold Project (the “Project”) in Northern Ontario. Phase 1 consisted of 23 drill holes for a total of 8,715 metres. Phase 2 of the drill program is targeting new syenite and structurally controlled gold targets immediately northwest and northeast of the Young Davidson (Alamos Gold) Mine property and will commence in March 2017.

- Drilling to date has targeted the Ashley-Garvey vein system near the historic Ashley Gold Mine
- Drilling tested the hangingwall, footwall, down-dip and northward and southward on-strike continuity of the Ashley and Garvey veins and newly discovered gold-in-soil anomalies
- A substantial quartz feldspar porphyry-quartz syenite discovered west of the vein systems requires further drill testing

Selected Highlights:

DDH	FROM (M)	TO (M)	INTERVAL (M)	Au g/t	DDH	FROM (M)	TO (M)	INTERVAL (M)	Au g/t
A003	54	55	1	5.51	A011	252	255	3	2.29
A004	183.75	189	5.25	1.81	A012	128	129	1	3.59
incl	186.1	186.77	0.67	11.25	A013	44	45	1	4.62
A005	44	46	2	2.73	A014	32	35	3	1.4
incl	45	46	1	3.95	incl	34	35	1	2.04
A005	147	148	1	7.34	A014	53	54	1	2.5
A006	183	185	2	2.71	A014	264	265	1	1.85
incl	184	185	1	4.94	A021	267	273	6	0.95
A009	113	114	1	9.46	incl	267	269	2	1.08
A009	316.5	317.5	1	2.35	A025	27	28	1	24.4
A009	343	344	1	10.8	A026	225	226	1	3.79
A011	72	73	1	3.44	A029	230	238	8	1.61
A011	128	129	1	43.3	incl	235	237	2	5.39
A011	244.5	246.5	2	2.24					

Note: Lengths reported are drill core lengths true lengths are unknown.

Hole locations and striplogs are available on Prosper's website at www.ProsperGoldCorp.com

“The Prosper Gold team is working hard toward our 20,000 metre drill program. We have completed a first pass at evaluating the vein targets and are eager to get back to work drill testing the bulk tonnage targets.” commented Peter Bernier, President and CEO.

For a detailed overview of Prosper Gold please visit www.ProsperGoldCorp.com.

Quality Assurance/Quality Control

Prosper Gold has applied a rigorous quality assurance/quality control program at the Ashley Project using industry best practice. The core is logged, recovery and rock quality designation calculated, fractures counted and magnetic susceptibility measured. Orientation of fractures, veins and contacts are measured (oriented core is used). Drill core is sawn in half lengthwise at the core logging facility in Matachewan and sampled in one and two metre intervals. Half of the core is placed in plastic bags and sealed and the remaining half core is retained in core boxes stored at the project. The program includes chain of custody of samples from drill to laboratory.

A standard sample, a blank sample, or a duplicate sample is inserted into the sample stream every tenth sample. Three certified ore assay laboratory standards used in the process, were supplied by CDN Resource Laboratories Ltd., an independent laboratory located in Langley, BC. In total, 397 quality control samples (about 11% of 3,740 samples) were analyzed.

As well 292 assay pulps retained at the Timmins ALS preparation lab are being reanalyzed by gold fire assay at Actlabs in Timmins as a double check on initial gold results. A further 184 samples were analyzed by metallic screen analysis at Actlabs in Ancaster Ontario. A representative 1000-gram split is sieved at 100 mesh (149 micron) with assays of the entire +100-mesh and on 2 splits of the -100-mesh fraction. The final assay is calculated based on the weight of each fraction.

Samples, including those for quality control, are shipped to ALS Minerals' preparation lab in Timmins Ontario. Splits from the samples were shipped to and analyzed at ALS's ISO 9001:2008 certified North Vancouver laboratory for gold by fire assay and ICP-AES finish, and for 48 elements including copper, molybdenum and silver by ICP-MS using four acid digestion. Similarly Actlabs samples are shipped direct from the secure storage in Matachewan to the lab.

The Company has granted an aggregate of 521,000 incentive options (the "Options") to purchase common shares of Prosper Gold to directors, officers, and employees of the Company. The Options are exercisable at a price of \$0.20 per common share until five years from the date of grant.

The Options are granted pursuant to the Company's stock option plan. The grant of the Options is subject to the final approval of the TSX Venture Exchange.

Qualified Person

The technical information in this news release has been reviewed by Dirk Tempelman-Kluit, PhD, P.Geo., a Qualified Person under National Instrument 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS

Per: “Peter Bernier”

Peter Bernier
President & CEO

For further information, please contact:

Peter Bernier
President & CEO
Prosper Gold Corp.
Phone (250) 992-6644
Email: Pete@ProsperGoldCorp.com

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about the planned exploration of the Ashley Gold mine, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified the management discussion and analysis section of our interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.